

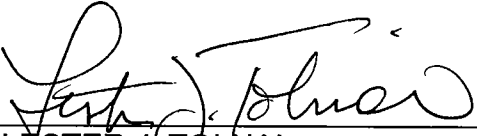
ANALYSIS

This ordinance amends Title 6 - Salaries, of the Los Angeles County

Code by:

- Adding Section 6.21.020 to establish the Hurricane Katrina Leave Donation Program.

RAYMOND G. FORTNER, JR.
County Counsel

By: 
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LJT:mag
(requested 10/05/05)
(revised 10/11/05)
(reviewed by CoCo10/11/05)

ORDINANCE NO. _____

An ordinance amending Title 6 - Salaries, of the Los Angeles County Code to add Section 6.21.020 to establish the Hurricane Katrina Leave Donation Program.

The Board of Supervisors of the County of Los Angeles ordains, as follows:

SECTION 1. Section 6.21.020 is hereby added to read, as follows:

6.21.020 Hurricane Katrina Leave Donation Program

In view of the extreme need for charitable relief in the aftermath of Hurricane Katrina, the board of supervisors has adopted this leave-based donation program to aid victims of this hurricane. This program is intended to comply with the terms of Internal Revenue Service Notice 2005-68 and will be interpreted consistent with that notice and any additional, relevant guidance provided by the Internal Revenue Service.

A. Eligible Participants. Any County employee in active status or on a leave of absence may participate in the Hurricane Katrina Leave Donation Program by completing, signing and returning to the appropriate County department the leave donation authorization form that is approved for use by the Chief Administrative Office. Participation in the program is voluntary.

B. Leave-Based Donations. Participants in the Hurricane Katrina Leave Donation Program may elect to assign to the County the following forms of accrued leave, as applicable and subject to the limitations set forth in C: full-pay sick leave, vacation, holiday time, compensatory time accrued as a non-exempt County employee,

nonelective annual leave under Megaflex for the current year, and elective annual leave purchased under Megaflex for the current year provided that all nonelective annual leave for the current year has been used. Leave may be assigned to the County in increments of a minimum of one (1) hour and in whole hour increments thereafter. Once an election is made, the assignment of donated leave is irrevocable, except as otherwise provided in Section 6.21.020C.

C. Limitations on Leave-Based Donations. The County may limit the number of hours, days and/or forms of accrued leave that may be assigned under the Hurricane Katrina Leave Donation Program and communicate such limits to participants in forms or procedures developed to administer the program. Any change in such limitations will be applicable prospectively. In addition, the Hurricane Katrina Leave Donation Program shall be subject to an aggregate limit on the total cash donation by the County under the program of two (2) million dollars, which may be changed by the board of supervisors in its sole discretion. Any participant elections to donate paid leave that have not been processed at the time that the applicable aggregate limit is reached will be void and the hours of paid leave subject to the void election will not be assigned to the County but will be restored to the participant's leave account.

D. Donations. The leave that is assigned to the County under this program will be converted to cash by the County and one or more cash payments will be made by the County to charitable organizations for the relief of victims of Hurricane Katrina.

Only charitable organizations described in section 170(c) of the Internal Revenue Code and designated by the County will be eligible for participation as an eligible recipient organization. The County will notify participants in the program of the eligible recipient organizations and allow participants to designate which organization they would prefer to benefit. Only one eligible recipient organization may be designated on each authorization form and such direction is irrevocable. Although the County will make every effort to honor each participant's preference, the County reserves the right to change or add to the eligible recipient organizations and redirect the cash payments in its sole discretion to another eligible recipient organization; provided, however, that any new recipient organization shall be described in Internal Revenue Code section 170(c). All cash payments under the Hurricane Katrina Leave Donation Program will be made to eligible recipient organizations no later than December 31, 2006.

E. Restrictions. The leave that is assigned to the County will not be treated as income to the participant and thus the value of the leave will not be treated as compensation for any of the County-sponsored deferred compensation plans or LACERA. Participants may not claim a charitable contribution deduction under Internal Revenue Code section 170 with respect to the value of the leave that has been assigned to the County. Leave that is assigned to the County will not be restored to the participant's leave account and the value of the leave will not be included in termination pay upon the participant's termination from County service. Megaflex participants who assign elective annual leave under the program will not be eligible to receive the cash value of such leave at the end of the year in which the leave has been assigned.

F. Duration of Program. The Hurricane Katrina Leave Donation Program will expire on midnight December 31, 2006; provided, however, that the board of supervisors reserves the right to terminate or amend the program at any time prior to this date.

G. Assignments of full pay sick hours will not count as sick leave used for purposes of applying Section 6.20.030F (2) for the participating employee and will not adversely affect such employee' s right to be paid for sick leave hours in lieu of such hours as provided in that section.

H. Administration. The Hurricane Katrina Leave Donation Program shall be administered according to procedures established from time to time by the auditor-controller and chief administrative officer.

SECTION 2. Pursuant to Government Code Section 25123(f), this ordinance shall take effect immediately upon final passage.